

REMARKS

This paper responds to the Office Action mailed November 3, 2003.

Claims 1 to 7 were rejected under 35 USC 101 as being directed to non-statutory subject matter. The applicants do not agree with this position. Business methods are patentable. See *State Street Bank*. However, rather than argue this point, applicants have amended the claims to include a computer.

In response, claim 1 has been amended to specifically recite that steps (b) and (c) are carried out by a computer, as explicitly explained in the application. This limitation applies also to claims 2 to 7, since these are directly or indirectly dependent on claim 1.

It is noted that the Examiner confirmed the method produces a useful, concrete and tangible result. It is accordingly respectfully submitted that amended claims 1 to 7 which specifically recite the specific technology, i.e. the computer, are patentable under 35 USC 101.

Claims 1 to 18 were rejected under 35 USC 102 as being unpatentable in view of Sloan et al (US 2002/0111890).

The present invention relates to a personalised financial product *having a plurality of inter-related cost-benefit parameters, the inter-relationship of the parameters being determined by the computer in dependence on the profitability characteristics of the user, a change to one parameter setting having a corresponding effect on one or more of the other parameter settings determined by the inter-relationship.*

Thus, the claim requires not just that there is a relationship between cost-benefit parameters, but that there is an inter-relationship which is not fixed but varies based on the profitability characteristics.

This point becomes easier to understand with reference to the concrete example at page 11 of the application.

The inter-relationship is

$$\text{APR} = a(\text{cash-back}) + b(\text{annual fee}) + c(\text{balance transfer APR}) + \text{constant},$$

where APR is the interest rate.

Claim 1 requires not merely that there is an inter-relationship of this type between variable parameters, but that the inter-relationship itself is a function of profitability. Thus, in the above example, a b and/or c may themselves be changed depending on profitability.

The Examiner points to paragraphs 65 and 68 of Sloan et al as teaching the inter-relationship feature.

However, in Sloan, as explained in paragraph 68, the user sets the level of system management he desires as well as how much service, the kinds of service and the level of coaching and advice required. The system then matches "a service package to expected customer profitability, establishes the basis for service fees, and sets a service quality standard".

Thus, Sloan et al teaches nothing more than varying parameters based on profitability. It does not teach varying an inter-relationship between parameters based on profitability.

Thus, in a sense, the present invention requires a two-level process whereby profitability is used to determine an inter-relationship between parameters, and the user can then adjust those parameters to obtain a desired product. This allows the product provider to provide the user with a product suited to the user's wishes while still maintaining a desired profitability.

The Examiner may care to inspect the interactive demonstration of the system claimed presently on line at http://www.accucard.com/card_builder/index.html which shows the easy and user-friendly way in which the parameters can be varied in accordance with the determined inter-relationship once the profitability of the customer is

determined. The demonstration does not show the step of customising the interrelationship based on the profitability of the user since as the small print below the demonstration states, "Please note: the various rates and figures quoted in the demonstration are examples only. The features and rates applicable to your card will be calculated when you apply online." As the Examiner will appreciate from the disclosure of the present patent, this determination is the determination of the inter-relationship based on the profitability of the customer.

Further, there is in Sloan et al no suggestion that the financial products offered by the system have variable parameters at all. There is no suggestion that the products mentioned in paragraph 58 of Sloan are anything more than conventional fixed financial products without any variable parameters.

Although the above argument has been made with reference to the wording of claim 1 the novel and inventive features are also found in the other independent claims 8, 9, 16, and 18.

Specifically, claim 8 requires a means for determining the inter-relationship of the parameters in dependence of the profitability characteristics of the user, and means for enabling the computer to apply a change to one or more of the parameter settings when the user changes the parameter settings, thus requiring the inventive two stage process that changes the inter-relationship between parameters in accordance with profitability and then allowing the user to select parameters in accordance with the determined inter-relationship.


Likewise, claim 9 requires the inter-relationship of the parameters to be determined in dependence of the profitability characteristics of the user, and the parameter settings being changeable by the user. Claim 16 requires the memory comprising a data structure defining an inter-relationship in which the inter-relationship is derived from profitability characteristics of a prospective user and the parameter settings are changeable by the user during customisation. Claim 18 requires the offered financial product to have a plurality of inter-related cost-benefit parameters, the inter-relationship of the parameters being determined in dependence on the profitability characteristics of the user, and an edit means and execution system that allow input of

changes to the parameters and that calculate a corresponding effect on one or more other parameter settings based on the inter-relationship.

The amendments made to the claims merely clarify the intended meaning of the claims in their previous form. For this reason, it is submitted that the amendments do not raise new issues.

Detailed arguments are not presented in respect of the dependent claims. However, the arguments of the Examiner should not be taken to be accepted. In view of the arguments above, we submit that this application is in order for allowance. Such action is therefore solicited.

Respectfully submitted



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